

## BPA Oversight Process Update May 2017

### Background

BPA's energy efficiency organization relies on the Contracting Officer's Technical Representative (COTR) oversight to validate our payments to customers and provide feedback that is invaluable in refining our programs. In an effort to make this process more efficient and effective we are adopting a "real-time" approach to COTR oversight. Beginning in May 2017, BPA will select a small number of the invoices we receive and request further documentation to review. By performing oversight on invoices as they are submitted it is our hope that measure documentation will be more accessible and easier to provide, after-the-fact corrections will be minimized, and that we can provide better more actionable feedback on the implementation of our current programs.

### FAQs:

**1. When is this oversight process plan starting?**

May 2017.

**2. Why is this happening now at the *end* of the rate period instead of at the start of the upcoming rate period?**

We understand that this process comes during end-of-rate period close-out activities and we will do all we can to provide the flexibility needed to ensure a smooth transition to this new approach to oversight. During the last part of this fiscal year we will only be selecting invoices from a small number of customers and dedicating the resources to ensure a smooth process. Additionally, we will not be requesting oversight documentation during the final month of the rate period. If you have questions or comments about this process, please contact your COTR.

**3. What are the new oversight process steps for the remainder of FY17?**

- a. In early May, BPA will notify the utilities that are likely to be included in oversight for FY17 and will work with each utility to identify its preferred document transmittal method.
- b. Once an invoice is submitted, the utility will be notified within three business days if its invoice has been selected for oversight. At that time, they will also be notified as to which measures will be reviewed.
- c. BPA will randomly select a representative sample of all measures included in the selected invoice (no more than 50 line items will be selected) and request the necessary supporting documentation for each of these items.
- d. While the COTR review of the related invoice will not be dependent on completion of the oversight review, submittal of documentation is required prior to invoice approval. To ensure invoice review in 30 days, the utility has 25 days\* to provide supporting



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documentation to the COTR. Failure to submit documentation in 25 days will re-set the clock for timely invoice review. If documentation is provided within 5 business days, BPA commits to completing oversight and communicating the findings within the 30-day invoice review period.

*(\*Note: Starting in FY18, documentation will need to be submitted within 5 business days to ensure timely invoice review. This change begins in FY18 to allow customers and BPA to adjust to this new, more streamlined process.)*

- e. EE then begins its oversight review and issues a findings report back to the utility. Any necessary invoice adjustments will be made after customer notification.

**4. How will I know if my utility is included in this review process**

Utilities likely to be chosen for FY17 oversight will be notified in early May.

**5. How will BPA ensure the files I transfer are secure?**

BPA will work with each customer to ensure the necessary security standards are met. We will provide file transfer options and if necessary, physical transfer of files.

COTRs will reach out to utilities that are likely to receive oversight in FY17 to identify their preferred method for submitting documents.

**6. What type of measures will be included?**

Oversight will include all measures.

**7. Who can I contact for any additional information?**

Contact your COTR who can provide you more specific information of the oversight process if needed.